

AMENDED IN ASSEMBLY JANUARY 5, 2016

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CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

## ASSEMBLY BILL

**No. 1449**

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**Introduced by Assembly Member Lopez**

February 27, 2015

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An act to amend Section 69436 of the Education Code, relating to student financial aid.

### LEGISLATIVE COUNSEL'S DIGEST

AB 1449, as amended, Lopez. Student financial aid: California Community College Transfer Cal Grant Entitlement Program.

*Existing law, the Ortiz-Pacheco-Poochigian-Vasconcellos Cal Grant Program, establishes the Cal Grant A and B Entitlement awards, the California Community College Transfer Cal Grant Entitlement awards, the Competitive Cal Grant A and B awards, the Cal Grant C awards, and the Cal Grant T awards under the administration of the Student Aid Commission, and establishes eligibility requirements for awards under these programs for participating students attending qualifying institutions.*

*Under the California Community College Transfer Cal Grant Entitlement Program, a student who transfers from a California community college to a qualifying institution that offers a baccalaureate degree receives a Cal Grant A or B award if the student meets specified requirements, among which is that the student graduate from a California high school or its equivalent during or after the 2000–01 academic year.*

*This bill would instead require that the student receiving a California Community College Transfer Cal Grant Entitlement award either graduate from a California high school or its equivalent during or after the 2000–01 academic year or be a California resident, as defined, on his or her 18th birthday. The bill would specify certain documents that a student could use to verify that he or she satisfies this requirement.*

~~Existing law, the Ortiz-Pacheco-Poochigian-Vaseconcellos Cal Grant Program, establishes the Cal Grant A and B Entitlement awards, the California Community College Transfer Cal Grant Entitlement awards, the Competitive Cal Grant A and B awards, the Cal Grant C awards, and the Cal Grant T awards under the administration of the Student Aid Commission, and establishes eligibility requirements for awards under these programs for participating students attending qualifying institutions.~~

~~Under the California Community College Transfer Cal Grant Entitlement Program, a student who transfers from a California community college to a qualifying institution that offers a baccalaureate degree receives a Cal Grant A or B award if the student meets specified requirements, among which are that the student not be 28 years of age or older by December 31 of the award year and that the student graduate from a California high school or its equivalent during or after the 2000–01 academic year.~~

~~This bill would instead require that the student receiving a California Community College Transfer Cal Grant Entitlement award not be 30 years of age or older by December 31 of the award year. The bill would eliminate the requirement that the student graduate from a California high school or its equivalent during or after the 2000–01 academic year.~~

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

- 1     SECTION 1. Section 69436 of the Education Code is amended
- 2     to read:
- 3     69436. (a) A student who was not awarded a Cal Grant A or
- 4     B award pursuant to Article 2 (commencing with Section 69434)
- 5     or Article 3 (commencing with Section 69435) at the time of his
- 6     or her high school graduation but, at the time of transfer from a
- 7     California community college to a qualifying baccalaureate

1 program, meets all of the criteria set forth in subdivision (b), shall  
2 be entitled to a Cal Grant A or B award.

3 (b) Any California resident transferring from a California  
4 community college to a qualifying institution that offers a  
5 baccalaureate degree is entitled to receive, and the commission,  
6 or a qualifying institution pursuant to Article 8 (commencing with  
7 Section 69450), shall award, a Cal Grant A or B award depending  
8 on the eligibility determined pursuant to subdivision (c), if all of  
9 the following criteria are met:

10 (1) A complete official financial aid application has been  
11 submitted or postmarked pursuant to Section 69432.9, no later  
12 than the March 2 of the year immediately preceding the award  
13 year.

14 (2) The student demonstrates financial need pursuant to Section  
15 69433.

16 (3) The student has earned a community college grade point  
17 average of at least 2.4 on a 4.0 scale and is eligible to transfer to  
18 a qualifying institution that offers a baccalaureate degree.

19 (4) The student's household has an income and asset level not  
20 exceeding the limits set forth in Section 69432.7.

21 (5) The student is pursuing a baccalaureate degree that is offered  
22 by a qualifying institution.

23 (6) He or she is enrolled at least part time.

24 (7) The student meets the general Cal Grant eligibility  
25 requirements set forth in Article 1 (commencing with Section  
26 69430).

27 (8) The student will not be 28 years of age or older by December  
28 31 of the award year.

29 (9) The student graduated from a California high school or its  
30 equivalent during or after the 2000–01 academic ~~year~~ year, or  
31 *was a California resident, as determined pursuant to Article 5*  
32 *(commencing with Section 68060) of Chapter 1 of Part 41, on his*  
33 *or her 18th birthday. A student may verify that he or she satisfies*  
34 *the requirements of this paragraph by the presentation of*  
35 *documents that may include, but not necessarily be limited to, a*  
36 *California driver's license, California identification card, high*  
37 *school transcript, or records of a judicial proceeding.*

38 (10) (A) Except as provided for in subparagraph (B), the student  
39 attended a California community college in the academic year

1 immediately preceding the academic year for which the award will  
2 be used.

3 (B) A student otherwise eligible to receive an award pursuant  
4 to this section, who attended a California community college in  
5 the 2011–12 academic year, may use the award for the 2012–13  
6 and 2013–14 academic years.

7 (c) The amount and type of the award pursuant to this article  
8 shall be determined as follows:

9 (1) For applicants with income and assets at or under the Cal  
10 Grant A limits, the award amount shall be the amount established  
11 pursuant to Article 2 (commencing with Section 69434).

12 (2) For applicants with income and assets at or under the Cal  
13 Grant B limits, the award amount shall be the amount established  
14 pursuant to Article 3 (commencing with Section 69435).

15 (d) (1) A student meeting the requirements of paragraph (9) of  
16 subdivision (b) by means of high school graduation, rather than  
17 its equivalent, shall be required to have graduated from a California  
18 high school, unless that California resident graduated from a high  
19 school outside of California due solely to orders received from a  
20 branch of the United States Armed Forces by that student or by  
21 that student's parent or guardian that required that student to be  
22 outside of California at the time of high school graduation.

23 (2) For the purposes of this article, both of the following are  
24 exempt from the requirements of subdivision (e) of Section 69433.9  
25 and paragraph (9) of subdivision (b) of this section:

26 (A) A student for whom a claim under this article was paid prior  
27 to December 1, 2005.

28 (B) A student for whom a claim under this article for the  
29 2004–05 award year or the 2005–06 award year was or is paid on  
30 or after December 1, 2005, but no later than October 15, 2006.

31 (3) (A) The commission, or a qualifying institution pursuant  
32 to Article 8 (commencing with Section 69450), shall make  
33 preliminary awards to all applicants currently eligible for an award  
34 under this article. At the time an applicant receives a preliminary  
35 award, the commission, or a qualifying institution pursuant to  
36 Article 8 (commencing with Section 69450), shall require that  
37 applicant to affirm, in writing, under penalty of perjury, that he or  
38 she meets the requirements set forth in subdivision (e) of Section  
39 69433.9, paragraph (9) of subdivision (b) of this section, and  
40 paragraph (1) of this subdivision. The commission, or a qualifying

1 institution pursuant to Article 8 (commencing with Section 69450),  
2 shall notify each person who receives a preliminary award under  
3 this paragraph that his or her award is subject to an audit pursuant  
4 to subparagraph (B).

5 (B) The commission shall select, at random, a minimum of 10  
6 percent of the new and renewal awards made under subparagraph  
7 (A), and shall require, prior to the disbursement of Cal Grant funds  
8 to the affected postsecondary institution, that the institution verify  
9 that the recipient meets the requirements of subdivision (e) of  
10 Section 69433.9, paragraph (9) of subdivision (b) of this section,  
11 and paragraph (1) of this subdivision. An award that is audited  
12 under this paragraph and found to be valid shall not be subject to  
13 a subsequent audit.

14 (C) Pursuant to Section 69517.5, the commission shall seek  
15 repayment of any and all funds found to be improperly disbursed  
16 under this article.

17 (D) On or before November 1 of each year, the commission  
18 shall submit a report to the Legislature and the Governor including,  
19 but not necessarily limited to, both of the following:

20 (i) The number of awards made under this article in the  
21 preceding 12 months.

22 (ii) The number of new and renewal awards selected, in the  
23 preceding 12 months, for verification under subparagraph (B), and  
24 the results of that verification with respect to students at the  
25 University of California, at the California State University, at  
26 independent nonprofit institutions, and at independent for-profit  
27 institutions.

28 ~~SECTION 1. Section 69436 of the Education Code is amended~~  
29 ~~to read:~~

30 ~~69436. (a) A student who was not awarded a Cal Grant A or~~  
31 ~~B award pursuant to Article 2 (commencing with Section 69434)~~  
32 ~~or Article 3 (commencing with Section 69435) at the time of his~~  
33 ~~or her high school graduation but, at the time of transfer from a~~  
34 ~~California community college to a qualifying baccalaureate~~  
35 ~~program, meets all of the criteria set forth in subdivision (b), shall~~  
36 ~~be entitled to a Cal Grant A or B award.~~

37 ~~(b) Any California resident transferring from a California~~  
38 ~~community college to a qualifying institution that offers a~~  
39 ~~baccalaureate degree is entitled to receive, and the commission,~~  
40 ~~or a qualifying institution pursuant to Article 8 (commencing with~~

1 Section 69450), shall award, a Cal Grant A or B award depending  
2 on the eligibility determined pursuant to subdivision (c), if all of  
3 the following criteria are met:

4 (1) ~~A complete official financial aid application has been~~  
5 ~~submitted or postmarked pursuant to Section 69432.9, no later~~  
6 ~~than the March 2 of the year immediately preceding the award~~  
7 ~~year.~~

8 (2) ~~The student demonstrates financial need pursuant to Section~~  
9 ~~69433.~~

10 (3) ~~The student has earned a community college grade point~~  
11 ~~average of at least 2.4 on a 4.0 scale and is eligible to transfer to~~  
12 ~~a qualifying institution that offers a baccalaureate degree.~~

13 (4) ~~The student's household has an income and asset level not~~  
14 ~~exceeding the limits set forth in Section 69432.7.~~

15 (5) ~~The student is pursuing a baccalaureate degree that is offered~~  
16 ~~by a qualifying institution.~~

17 (6) ~~He or she is enrolled at least part time.~~

18 (7) ~~The student meets the general Cal Grant eligibility~~  
19 ~~requirements set forth in Article 1 (commencing with Section~~  
20 ~~69430).~~

21 (8) ~~The student will not be 30 years of age or older by December~~  
22 ~~31 of the award year.~~

23 (9) (A) ~~Except as provided for in subparagraph (B), the student~~  
24 ~~attended a California community college in the academic year~~  
25 ~~immediately preceding the academic year for which the award will~~  
26 ~~be used.~~

27 (B) ~~A student otherwise eligible to receive an award pursuant~~  
28 ~~to this section, who attended a California community college in~~  
29 ~~the 2011–12 academic year, may use the award for the 2012–13~~  
30 ~~and 2013–14 academic years.~~

31 (c) ~~The amount and type of the award pursuant to this article~~  
32 ~~shall be determined as follows:~~

33 (1) ~~For applicants with income and assets at or under the Cal~~  
34 ~~Grant A limits, the award amount shall be the amount established~~  
35 ~~pursuant to Article 2 (commencing with Section 69434).~~

36 (2) ~~For applicants with income and assets at or under the Cal~~  
37 ~~Grant B limits, the award amount shall be the amount established~~  
38 ~~pursuant to Article 3 (commencing with Section 69435).~~

1     ~~(d) (1) For the purposes of this article, both of the following~~  
2     ~~are exempt from the requirements of subdivision (e) of Section~~  
3     ~~69433.9:~~

4     ~~(A) A student for whom a claim under this article was paid prior~~  
5     ~~to December 1, 2005.~~

6     ~~(B) A student for whom a claim under this article for the~~  
7     ~~2004-05 award year or the 2005-06 award year was or is paid on~~  
8     ~~or after December 1, 2005, but no later than October 15, 2006.~~

9     ~~(2) (A) The commission, or a qualifying institution pursuant~~  
10    ~~to Article 8 (commencing with Section 69450), shall make~~  
11    ~~preliminary awards to all applicants currently eligible for an award~~  
12    ~~under this article. At the time an applicant receives a preliminary~~  
13    ~~award, the commission, or a qualifying institution pursuant to~~  
14    ~~Article 8 (commencing with Section 69450), shall require that~~  
15    ~~applicant to affirm, in writing, under penalty of perjury, that he or~~  
16    ~~she meets the requirements set forth in subdivision (e) of Section~~  
17    ~~69433.9 and paragraph (1) of this subdivision. The commission,~~  
18    ~~or a qualifying institution pursuant to Article 8 (commencing with~~  
19    ~~Section 69450), shall notify each person who receives a preliminary~~  
20    ~~award under this paragraph that his or her award is subject to an~~  
21    ~~audit pursuant to subparagraph (B).~~

22    ~~(B) The commission shall select, at random, a minimum of 10~~  
23    ~~percent of the new and renewal awards made under subparagraph~~  
24    ~~(A), and shall require, prior to the disbursement of Cal Grant funds~~  
25    ~~to the affected postsecondary institution, that the institution verify~~  
26    ~~that the recipient meets the requirements of subdivision (e) of~~  
27    ~~Section 69433.9 and paragraph (1) of this subdivision. An award~~  
28    ~~that is audited under this paragraph and found to be valid shall not~~  
29    ~~be subject to a subsequent audit.~~

30    ~~(C) Pursuant to Section 69517.5, the commission shall seek~~  
31    ~~repayment of any and all funds found to be improperly disbursed~~  
32    ~~under this article.~~

33    ~~(D) On or before November 1 of each year, the commission~~  
34    ~~shall submit a report to the Legislature and the Governor including,~~  
35    ~~but not necessarily limited to, both of the following:~~

36    ~~(i) The number of awards made under this article in the~~  
37    ~~preceding 12 months.~~

38    ~~(ii) The number of new and renewal awards selected, in the~~  
39    ~~preceding 12 months, for verification under subparagraph (B), and~~  
40    ~~the results of that verification with respect to students at the~~

- 1 ~~University of California, at the California State University, at~~
- 2 ~~independent nonprofit institutions, and at independent for-profit~~
- 3 ~~institutions.~~